



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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June 28, 1994

Ms. Karen Lane
Chevron Chemical Company
P.O. Box 5047
San Ramon, California 94583-0947

Re: Discrepancy in Acreages on the Transfer Form for Vernal Phosphate Operations,
M/047/007, SF Phosphates, Ltd. (SF), Uintah County, Utah

Dear Ms. Lane:

After our telephone discussion on June 2, 1994, I began to review the files for an explanation of the change in acreage between the transfer form received in September 1992, and the form received in March 1994. The task was more involved than I anticipated and other permitting priorities have not allowed me to complete the task until now.

The transfer form received in September 1992 was signed by Chevron Chemical Company (Chevron) representatives and representatives of SF (known as FS Industries at that time). That form listed the actual number of acres disturbed by the operation through the date of transfer as 818.3.

The form received in March 1994 was signed by representatives of SF, but not by Chevron representatives. This form listed the actual number of acres disturbed by the operation through the date of transfer as 681.7. The difference between these two figures amounts to 136.6 acres.

In November 1992, the Division granted full release of 146.6 acres of reclaimed mine disturbance and partial release of another 85.1 acres. Of this total, 126 acres had been partially released by the Division in 1987.

Between December 1992 and March 1993, the Division and SF had several discussions regarding the existing mine plan. SF felt the acreages listed in the original plan were conservative, included some overlapping areas, and included areas which had been reclaimed. SF felt the acreages shown for several of the facilities areas in the original plan were greater than the actual acreages which have been disturbed. Also, SF's projected future mining plans were not on a scale as large as those described in Chevron's existing



Page 2
Karen Lane
M/047/007
June 28, 1994

mine plan. SF intended to use the same mining and reclamation methods as Chevron, but would scale down the proposed size of new disturbance to be created each year.

In March 1993, SF provided the Division with a Reclamation Plan Amendment. A Reclamation Contract was also submitted which described the disturbance to be bonded as 861.7 acres. This figure included 180 acres of proposed future mining. Those 180 acres were not yet disturbed. Subtracting 180 from 861.7 gives the 681.7 acre figure.

I cannot precisely explain the difference between the 818.3 acres of actual disturbance listed by Chevron, and the 681.7 acre figure listed by SF. Theoretically, the 136.6 acre difference should agree with the 146.6 acre area fully released by the Division in November 1992. The 10 acres of *excess* released area means there should be 10 less acres of actual disturbance, which would yield 671.7 acres of actual disturbance. It appears that SF arrived at the 861.7 acre figure by compiling areas from the ground up, based on the amendment to the plan and a revised map. Since the difference appears to be 10 *less* acres of *actual* disturbance, the Division is not overly concerned at this time.

I hope this information helps clarify the acreage discrepancy thereby enabling Chevron to complete the transfer process by signing the form and returning it to the Division. Please contact me if you require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony A. Gallegos". The signature is fluid and cursive, with a long horizontal stroke at the end.

Anthony A. Gallegos
Reclamation Engineer

jb
cc: Ron Ryan, SF Phosphates, Ltd.
Wayne Hedberg, DOGM
M47-07ex.trn